

Business Continuity Planning and severe weather



This case study describes how Boots UK uses Business Continuity Planning to prepare for severe weather events, and to enable a swift recovery. A priority of Boots UK is to provide continuity of service to customers, particularly the pharmacy service. This case study focuses on resilience to flooding.

Context

Severe weather can affect businesses in many ways. Flooding, storms, droughts and heat waves can all pose a threat to business continuity, for example, by disrupting supply chains and the delivery of products and services, causing damage to premises and equipment, power failures, impacting staff and insurance implications.

It was revealed in an Association of British Insurers study that when impacted by a major incident such as a flood, 80% of businesses without an emergency continuity plan in place never fully recover, including those with insurance to cover any financial losses.

The 2007 central England summer floods reportedly cost the economy £3 billion, and the wet summer of 2012 is estimated to have cost Britain's rural economy £1 billion.

Climate change is likely to make severe weather events more frequent, so looking to the future and building business resilience to severe weather is going to become even more important.

Businesses need to consider the potential benefits that would arise through being well prepared for severe weather events.

About Boots UK

Boots UK is a leading pharmacy-led health and beauty retailer in the UK, with close to 2,500 stores and around 60,000 employees.

Boots UK is committed to providing exceptional customer and patient care, and to being the first choice for pharmacy and healthcare. Created over 160 years ago, the Boots brand is still at the heart of the communities it serves.

Boots UK is a member of Alliance Boots, a leading international, pharmacy-led health and beauty group delivering a range of products and services to customers.

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Business drivers

A priority of Boots UK is to provide continuity of service to customers, particularly the pharmacy service.

Staying open for business during a severe weather event, or re-opening quickly after an incident has closed a store, leaves customers with a strong impression of the commitment to customer care. This can often differentiate a business from its competitors and win new customers.

Example of a recent impact:**Flooding**

Heavy rain in June, July and August 2012 led to a small proportion of Boots stores in the UK closing for a short time due to flooding.

The stores experienced flash flooding, with water coming in through the shop fronts or going into storage cellars. Only a couple of stores were

seriously impacted: one had a flooded basement, but continued trading, and no stores stopped trading for more than 24 hours.

Previously, the Boots store in Cockermouth had been flooded during the serious flooding experienced in November 2009, when the town centre was under 8 feet of water. The store had to close for a few weeks, but Boots kept the pharmacy service operating in the meantime.

How does Boots ensure that its stores either continue trading or re-open quickly after flooding?

Flash flooding in 2012: Tiled floors ensured that it was easy to mop up water, leaving negligible damage. If there was water ingress (i.e. a leaking roof) then that area was cordoned off, however, trading continued in the rest of the shop.

Cockermouth floods in 2009: Boots UK has plans in place to be able to use other local pharmacies in the event that one of the pharmacies is out of action in order to continue delivery of pharmacy services. On this occasion in Cockermouth, Boots pharmacists dispensed the medicines at another pharmacy and then brought the medicines back to give to their customers. This ensured minimal hassle for customers. When the water levels receded, Boots set up a temporary pharmacy in a portakabin on the high street within a few days. Drying out and refurbishing the original shop took a few weeks to complete.

Transferrable learning

Putting good business continuity plans in place need not cost much, nor require a consultant. The key things are to be pragmatic and to make business continuity plans proportionate to the business function.

Contact Details and Further Information

Further Information

Weathering the Storm – a guide to saving and making money in a changing climate:

www.climate-em.org.uk/resources/item/weathering-the-storm-a-business-guide-to-climate-change-adaptation/

Check your **flood risk** on the Environment Agency website, and sign up for **flood warnings**:
www.environment-agency.gov.uk/homeandleisure/floods/

Prepare a **flood plan** for your business:
www.environment-agency.gov.uk/business/topics/flooding/32362.aspx

The **Business Resilience Health Check** is an online tool which you can use to create a bespoke action plan for your business:

www.businessresiliencehealthcheck.co.uk

Climate Ready is a support service to help businesses prepare for climate change:

www.environment-agency.gov.uk/research/137557.aspx

Contact details

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One of a series of case studies about building business resilience to severe weather, developed as part of the Business Resilience in a Changing Climate (BRiCC) project, in partnership with the Environment Agency. Other case studies can be viewed at the web address below. Published March 2014.